



an **e-on** company

USAARMC and Fort Knox
Attn: Gary Meredith, Energy Program Manager
Building 1110, 3rd Floor, Room 306
125 Sixth Avenue
Fort Knox, Kentucky 40121-5000

August 6, 2010

**RE: *Louisville Gas and Electric Company's Application
For Adjustments in its Electric and Gas Rates -
Case No. 2009-00549***

Dear Mr. Meredith:

On January 29, 2010, Louisville Gas and Electric Company ("LG&E") filed an Application with the Kentucky Public Service Commission ("Commission") requesting adjustments to its gas and electric rates, terms, and conditions.

The United States of America as Fort Knox (hereinafter Fort Knox) receives natural gas transportation service under a special contract, which incorporates by reference transportation service provided under LG&E's Firm Transportation Service (Non-Standby) Rate FT. LG&E's Application proposed no changes to Rate FT, or to the current special contract between LG&E and Fort Knox for gas service.

On July 30, 2010, after evidentiary hearings, the Commission issued its Order in Case No. 2009-00459 approving adjustments to the rates, terms and conditions of LG&E. The Commission's Order sets forth no change to Rate FT, or to the current special contract between LG&E and Fort Knox for gas service.

In addition, all other provisions of your contract, not specifically mentioned herein, remain the same as those in effect prior to the date of the Commission's Order of July 30, 2010, and all other Tariffs and Riders applicable to this contract will continue to apply.

**Louisville Gas and
Electric Company**
State Regulation and Rates
220 West Main Street
PO Box 32010
Louisville, Kentucky 40232
www.eon-us.com

Lonnie E. Bellar
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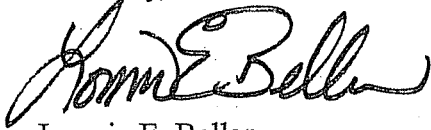
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**PUBLIC SERVICE
COMMISSION**

USAARMC and Fort Knox
Attn: Gary Meredith, Energy Program Manager
August 6, 2010

If you have any further questions regarding this matter, please contact me.

Sincerely,

A handwritten signature in cursive script, appearing to read "Lonnie E. Bellar". The signature is fluid and stylized, with the first name "Lonnie" and last name "Bellar" clearly distinguishable.

Lonnie E. Bellar